

KONOPNICKI FLOOR AMENDMENT
HOUSE OF REPRESENTATIVES AMENDMENTS TO S.B. 1160
(Reference to the APPROPRIATIONS Committee amendment)

1 Page 1, between lines 1 and 2, insert:

2 "Section 1. Section 41-1276, Arizona Revised Statutes, is amended to
3 read:

4 41-1276. Truth in taxation levy for equalization assistance to
5 school districts

6 A. On or before February 15 of each year, the joint legislative budget
7 committee shall compute and transmit the truth in taxation rates for
8 equalization assistance for school districts for the following fiscal year
9 to:

10 1. The chairmen of the house of representatives ways and means
11 committee and the senate finance committee or their successor committees.

12 2. The chairmen of the appropriations committees of the senate and the
13 house of representatives or their successor committees.

14 B. The truth in taxation rates consist of the qualifying tax rate for
15 a high school district or a common school district within a high school
16 district that does not offer instruction in high school subjects pursuant to
17 section 15-971, subsection B, paragraph 1, a qualifying tax rate for a
18 unified district, a common school district not within a high school district
19 or a common school district within a high school district that offers
20 instruction in high school subjects pursuant to section 15-971, subsection B,
21 paragraph 2 and a state equalization assistance property tax rate pursuant to
22 section 15-994 that will offset the change in net assessed valuation of
23 property that was subject to tax in the prior year.

1 C. The joint legislative budget committee shall compute the truth in
2 taxation rates as follows:

3 1. Determine the statewide primary net assessed value for the preceding tax year as provided in section 42-17151, subsection A, paragraph 3.

4 2. Determine the statewide primary net assessed value for the current tax year, excluding the net assessed value of property that was not subject to tax in the preceding year.

5 3. Divide the amount determined in paragraph 1 of this subsection by the amount determined in paragraph 2 of this subsection.

6 4. Adjust the qualifying tax rates and the state equalization assistance property tax rate for the current fiscal year by the percentage determined in paragraph 3 of this subsection in order to offset the change in net assessed value.

7 D. Except as provided in subsections E and G of this section, the qualifying tax rate for a high school district or a common school district within a high school district that does not offer instruction in high school subjects, the qualifying tax rate for a unified school district, a common school district not within a high school district or a common school district within a high school district that offers instruction in high school subjects and the state equalization assistance property tax rate for the following fiscal year shall be the rate determined by the joint legislative budget committee pursuant to subsection C of this section. The committee shall transmit the rates to the superintendent of public instruction and the county boards of supervisors by March 15 each year.

8 E. If the legislature proposes either qualifying tax rates or a state equalization assistance property tax rate that exceeds the truth in taxation rate:

9 1. The house of representatives ways and means committee and the senate finance committee or their successor committees shall hold a joint hearing on or before February 28 and publish a notice of a truth in taxation hearing that meets the following requirements:

(a) The notice shall be published twice in a newspaper of general circulation in this state that is published at the state capital. The first publication shall be at least fourteen but not more than twenty days before the date of the hearing. The second publication shall be at least seven but not more than ten days before the date of the hearing.

(b) The notice shall be published in a location other than the classified or legal advertising section of the newspaper.

(c) The notice shall be at least one-fourth page in size and shall be surrounded by a solid black border at least one-eighth inch in width.

(d) The notice shall be in the following form, with the "truth in taxation hearing - notice of tax increase" headline in at least eighteen point type:

Truth in Taxation Hearing

Notice of Tax Increase

In compliance with section 41-1276, Arizona Revised Statutes, the state legislature is notifying property taxpayers in Arizona of the legislature's intention to raise the property tax levy over last year's level.

The proposed tax increase will cause the taxes on a \$100,000 home to increase by \$_____.

All interested citizens are invited to attend a public hearing on the tax increase that is scheduled to be held _____ (date and time) at _____ (location).

(e) For purposes of computing the tax increase on a one hundred thousand dollar home as required by the notice, the joint meeting of the house of representatives ways and means committee and the senate finance committee or their successor committees shall consider the difference between the truth in taxation rate and the proposed increased rate.

2. The joint meeting of the house of representatives ways and means committee and the senate finance committee or their successor committees shall consider any motion to recommend the proposed tax rates to the full legislature by roll call vote.

1 F. In addition to publishing the truth in taxation notice under
2 subsection E, paragraph 1 of this section, the joint meeting of the house of
3 representatives ways and means committee and the senate finance committee or
4 their successor committees shall issue a press release containing the truth
5 in taxation notice.

6 G. Notwithstanding any other law, the legislature shall not adopt a
7 state budget that provides for either qualifying tax rates pursuant to
8 section 15-971 or a state equalization assistance property tax rate pursuant
9 to section 15-994 that exceeds the truth in taxation rates computed pursuant
10 to subsection A of this section unless the rates are adopted by a concurrent
11 resolution approved by an affirmative roll call vote of two-thirds of the
12 members of each house of the legislature before the legislature enacts the
13 general appropriations bill. If the resolution is not approved by two-thirds
14 of the members of each house of the legislature, the rates for the following
15 fiscal year shall be the truth in taxation rates determined pursuant to
16 subsection C of this section and shall be transmitted to the superintendent
17 of public instruction and the county boards of supervisors.

18 H. Notwithstanding subsection C of this section and if approved by the
19 qualified electors voting at a statewide general election, the legislature
20 shall not set a qualifying tax rate that exceeds \$2.1265 for a common or high
21 school district or \$4.253 for a unified school district. The legislature
22 shall not set a county equalization assistance for education rate that
23 exceeds \$0.5123.

24 I. Pursuant to subsection C of this section, the qualifying tax rate
25 in tax year 2007 for a high school district or a common school district
26 within a high school district that does not offer instruction in high school
27 subjects as provided in section 15-447 is \$1.6020 and for a unified school
28 district, a common school district not within a high school district or a
29 common school district within a high school district that offers instruction
30 in high school subjects as provided in section 15-447 is \$3.2040. The state
31 equalization assistance property tax rate in tax years 2006, 2007, ~~and~~ 2008,
32 2009, 2010 AND 2011 is zero. The state equalization assistance property tax

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1 rate in tax year ~~2009~~ 2012 shall be computed by annually adjusting the tax
2 year 2005 rate of \$0.4358 as provided by this section through tax year ~~2009~~
3 2012."

4 Renumber to conform

5 Page 8, line 2, strike "5" insert "6"

6 Amend title to conform

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C: tdb